Fill in this information to identify your case:

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF NEW YORK

Case number *(if known)* ____________ Chapter **11**

☐ Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals,* is available.

1. Debtor's name — **Gracious (IP) LLC**

2. All other names debtor used in the last 8 years
Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) — **30-0863251**

4. Debtor's address

Principal place of business	Mailing address, if different from principal place of business
1201 Third Avenue **New York, NY 10021** Number, Street, City, State & ZIP Code	P.O. Box, Number, Street, City, State & ZIP Code
New York County	**Location of principal assets, if different from principal place of business** **See Annex 1** Number, Street, City, State & ZIP Code

5. Debtor's website (URL) — **http://www.gracioushome.com/**

6. Type of debtor

■ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify: ____________

7. Describe debtor's business

A. *Check one:*

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ■ None of the above

B. *Check all that apply*

- ☐ Tax-exempt entity (as described in 26 U.S.C. §501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.
See http://www.uscourts.gov/four-digit-national-association-naics-codes.

4422

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
- ☐ Chapter 9
- ■ Chapter 11. *Check all that apply*:
  - ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than $2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
  - ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
  - ☐ A plan is being filed with this petition.
  - ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
  - ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
  - ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.
- ☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

If more than 2 cases, attach a separate list.

- ■ No.
- ☐ Yes.

District ______ When ______ Case number ______

District ______ When ______ Case number ______

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

List all cases. If more than 1, attach a separate list

- ☐ No
- ■ Yes.

Debtor **See Attachment** Relationship ______

District ______ When ______ Case number, if known ______

Debtor **Gracious (IP) LLC** Case number (*if known*)
Name

11. Why is the case filed in *this district?*

Check all that apply:

- ■ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ■ No
- ☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (*Check all that apply.*)

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
  What is the hazard?
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☐ Other

Where is the property?

Number, Street, City, State & ZIP Code

Is the property insured?

- ☐ No
- ☐ Yes. Insurance agency
  Contact name
  Phone

[redacted] Statistical and administrative information

13. Debtor's estimation of available funds

. *Check one:*

- ■ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

☐ 1-49	■ 1,000-5,000	☐ 25,001-50,000
☐ 50-99	☐ 5001-10,000	☐ 50,001-100,000
☐ 100-199	☐ 10,001-25,000	☐ More than100,000
☐ 200-999		

15. Estimated Assets

☐ $0 - $50,000	☐ $1,000,001 - $10 million	☐ $500,000,001 - $1 billion
☐ $50,001 - $100,000	■ $10,000,001 - $50 million	☐ $1,000,000,001 - $10 billion
☐ $100,001 - $500,000	☐ $50,000,001 - $100 million	☐ $10,000,000,001 - $50 billion
☐ $500,001 - $1 million	☐ $100,000,001 - $500 million	☐ More than $50 billion

16. Estimated liabilities

☐ $0 - $50,000	☐ $1,000,001 - $10 million	☐ $500,000,001 - $1 billion
☐ $50,001 - $100,000	■ $10,000,001 - $50 million	☐ $1,000,000,001 - $10 billion
☐ $100,001 - $500,000	☐ $50,000,001 - $100 million	☐ $10,000,000,001 - $50 billion
☐ $500,001 - $1 million	☐ $100,000,001 - $500 million	☐ More than $50 billion

Debtor **Gracious (IP) LLC** Case number (*if known*)
Name

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to $500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is trued and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **December 14, 2016**
MM / DD / YYYY

X **/s/ Robert Morrison**
Signature of authorized representative of debtor

Robert Morrison
Printed name

Title **Chief Executive Officer**

18. Signature of attorney

X **/s/ Joseph J. DiPasquale**
Signature of attorney for debtor

Date **December 14, 2016**
MM / DD / YYYY

Joseph J. DiPasquale
Printed name

Trenk, DiPasquale, Della Fera & Sodono, P.C.
Firm name

45 Rockefeller Plaza
Suite 2000
New York, NY 10111
Number, Street, City, State & ZIP Code

Contact phone **212-899-5245** Email address **jdipasquale@trenklawfirm.com**

4465985
Bar number and State

Fill in this information to identify your case:

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF NEW YORK

Case number *(if known)* Chapter **11**

☐ Check if this an amended filing

FORM 201. VOLUNTARY PETITION

Pending Bankruptcy Cases Attachment

Debtor	**GH Chelsea LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	
Debtor	**GH East Side LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	
Debtor	**GH West Side LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	
Debtor	**Gracious Homes Holdings LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	
Debtor	**Gracious Homes LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	
Debtor	**Gracious Homes Payroll LLC**			Relationship to you	**Affiliate**
District	**Southern District of New York**	When	**12/14/16**	Case number, if known	

Annex 1

Locations of Principal Assets (if different from street address)

1992 Broadway, New York, NY 10023
1220 Third Avenue, New York, NY 10021
1210 Third Avenue, New York, NY 10021
1201 Third Avenue, New York, NY 10021
45 West 25th Street, New York, NY 10021
158 West 27th Street, 12th Floor, New York, NY 10001
30-30 60th Street, Woodside Queens, NY 11377

Fill in this information to identify the case:

Debtor name **Gracious (IP) LLC**

United States Bankruptcy Court for the: SOUTHERN DISTRICT OF NEW YORK

Case number (if known) ____________

☐ Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to $500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ *Schedule A/B: Assets–Real and Personal Property* (Official Form 206A/B)
- ☐ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☐ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☐ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☐ *Schedule H: Codebtors* (Official Form 206H)
- ☐ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ Amended *Schedule* ____________
- ■ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☐ Other document that requires a declaration ____________

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **December 14, 2016** X **/s/ Robert Morrison**
Signature of individual signing on behalf of debtor

Robert Morrison
Printed name

Chief Executive Officer
Position or relationship to debtor

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Fill in this information to identify the case:

Debtor name **Gracious (IP) LLC**

United States Bankruptcy Court for the: **SOUTHERN DISTRICT OF NEW YORK**

Case number (if known): ____________

☐ Check if this is an amended filing

Official Form 204

Chapter 11 or Chapter 9 Cases: Consolidated List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders 12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Lincoln Metrocenter Partners L c/o Millennium Partners 1995 Broadway, 3rd Floor New York, NY 10023	Steven Hoffman 212-875-4900	Rent		Amount to be determined		$1,504,993.89
Rockrose Development Corp Attn: Laren Barnwell 387 Park Avenue, 7th Floor New York, NY 10010	Laren Barnwell 212-672-1000	Rent		Amount to be determined		$637,686.25
Townsend House Corp 176 E 71st Street New York, NY 10021	John Graham 212-376-8600	Rent		Amount to be determined		$600,262.42
True Value Company 8600 W. Bryn Mawr Avenue Chicago, IL 60631-3505	John R. Hartmann 773-695-5000	Trade Debt				$481,782.00
Capstone Printing Corp 99 Hudson Street, 5th Floor New York, NY 10013	Alan Finkelstink 212-242-1470	Expense				$288,078.10
179 E 70th Street Corp Douglas Elliman Property Mgmnt 179 East 70th Street New York, NY 10021	Jim O'Connor info@ellimanpm.com 212-692-8300	Rent		Amount to be determined		$261,861.00

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Debtor **Gracious (IP) LLC** Case number *(if known)*
Name

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Bonafide Estates Inc. **630 Fifth Avenue, Suite 3165** **New York, NY 10111**	**A. Locker** **info@bonafideestates.com** **212-757-6027**	**Rent**		**Amount to be determined**		**$261,195.50**
Bradford Swett Management LLC **1536 Third Avenue, 3rd Floor** **New York, NY 10028-2110**	**Bradford N Swett** **212-249-0029 (fax)** **212-772-7550**	**Rent**		**Amount to be determined**		**$256,842.07**
Miele Appliances Inc. **9 Independence Way** **Princeton, NJ 08540**	**Dr. Reinhard Zinkann** **800-843-7231**	**Trade Debt**				**$187,934.56**
United Parcel Service **55 Glenlake Parkway** **Atlanta, GA 30328**	**800-742-5877**	**Expense**				**$181,929.65**
Scandia Down LLC **2929 Airport Road** **La Crosse, WI 54603-1259**	**Don Kelley** **608-791-600**	**Trade Debt**				**$169,882.00**
Nest Fragrances **3 East 54th Street, 5th Fl** **New York, NY 10022**	**Matthew Jones** **212-759-9273 (fax)** **212-759-0047**	**Trade Debt**				**$140,151.00**
Visual Comfort & Co **22008 N. Berwick Drive** **Houston, TX 77095**	**713-686-7444 (fax)** **713-686-5999**	**Trade Debt**				**$119,502.00**
Down Decor **1 Kovach Drive** **Cincinnati, OH 45215**	**Daniel Guigui** **513-921-3381 (fax)** **513-927-3373**	**Trade Debt**				**$115,523.00**
Satco Products Inc **110 Heartland Blvd** **Brentwood, NY 11717**	**Bill Gildin** **631-243-2027 (fax)** **631-243-2022**	**Trade Debt**				**$105,241.00**
Sferra Bros **15 Mayfield Avenue** **Edison, NJ 08837-3820**	**Paul J. Hooker** **732-225-6290 (fax)** **732-225-9235**	**Trade Debt**				**$104,852.85**
Demandware Inc. **5 Wall Street** **Burlington, MA 01803**	**Thomas Ebling** **781-425-1400**	**Expense**				**$102,806.18**

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Debtor **Gracious (IP) LLC** Case number *(if known)*
Name

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Klestadt Winters Jureller Sout Southard 200 West 41st St, 17th Floor New York, NY 10036-7203	**Tracy Klestadt 212-972-2245 (fax) 212-972-3000**	**Professional Fees**	**Disputed**			**$102,341.00**
John Matouk & Co Inc. 925 Airport Road New Bedford, MA 02740	**George Matouk, Jr. george@matouk.com 508-997-3444**	**Trade Debt**				**$79,066.00**
A.F. Supply Corp 1000 South 2nd Avenue Harrison, NJ 07029	**Warren Friedman B2C@afsupply.com 973-482-4444**	**Trade Debt**				**$77,877.92**

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GRACIOUS (IP) LLC

CERTIFICATE OF COMPANY RESOLUTIONS

I, Robert Morrison, Chief Executive Officer of Gracious (IP) LLC, a Delaware limited liability company (the "Company"), do hereby certify that upon requisite consent in lieu of a meeting dated December 14, 2016, and a quorum being present, the following resolutions were adopted, and said resolutions have not been modified or rescinded, and are still in full force and effect:

> "WHEREAS, it is desirable and in the best interests of the Company, its creditors, employees, and other interested parties that a petition (the "Petition") be filed by the Company, seeking relief under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").
>
> NOW, THEREFORE, BE IT RESOLVED, that the Company is hereby authorized to file the Petition; and it is further
>
> RESOLVED, that the Petition be, and hereby is, authorized; and it is further
>
> RESOLVED, that Robert Morrison and any other person designated and authorized to act by any of the foregoing officers (each, an "Authorized Officer") are hereby authorized and empowered, in the name and on behalf of the Company, to execute and verify the Petition under chapter 11 of the Bankruptcy Code and to cause the same to be filed in the United States Bankruptcy Court (the "Bankruptcy Court") for the Southern District of New York at such time or in such other jurisdiction as the Authorized Officer executing the Petition shall determine; and it is further
>
> RESOLVED, that the Authorized Officers are, and any one of them acting alone is, hereby authorized and directed to retain and employ, in the name and on behalf of the Company, the law firm of Trenk DiPasquale Della Fera & Sodono, P.C. ("TD") as legal counsel to the Company in connection with its existing financial arrangements and capitalization, to represent and assist the Company in carrying out its duties under the Bankruptcy Code and to take any and all actions to advance the Company's rights, including, but not limited to, filing any pleadings; and in connection therewith, the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of TD; and be it further
>
> RESOLVED, that the Authorized Officers are, and any one of them acting alone is, hereby authorized and directed to employ, in the name and on behalf of the Company, B. Riley & Co. ("B. Riley") as financial advisor to the Company in connection with its existing financial arrangements and capitalization, to represent

and assist the Company in carrying out its duties under the Bankruptcy Code and to take any and all actions to advance the Company's rights; and in connection therewith, the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed appropriate applications for authority to retain the services of B. Riley; and be it further

RESOLVED, that the Authorized Officers are, and any one of them acting alone is, hereby authorized and directed to employ, in the name and on behalf of the Company, Prime Clerk LLC as claims, noticing and balloting agent to the Company in connection with its existing financial arrangements and capitalization, to represent and assist the Company in carrying out its duties under the Bankruptcy Code and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed appropriate applications for authority to retain the services of Prime Clerk LLC; and be it further

RESOLVED, that any Authorized Officer be, and hereby is, authorized and empowered to execute and file all petitions, schedules, motions, lists, applications, pleadings, and other papers and, in connection therewith, to employ and retain all assistance by legal counsel, accountants, financial advisors, and other professionals and to take and perform any and all further acts and deeds that such Authorized Officer deems necessary, proper, or desirable in connection with the Company's chapter 11 case, with a view to the successful prosecution of such case; and it is further

RESOLVED, that each Authorized Officer, be, and each hereby is, authorized and empowered to: (i) negotiate, enter into, execute, deliver, certify, file, and/or record, and perform such agreements, instruments, assignments, motions, affidavits, applications for approvals or rulings of governmental or regulatory authorities, certificates, or other documents, and to take such other actions, as in the judgment of any such officer shall be or become necessary, proper, and desirable to effectuate a successful reorganization of the Company; and (ii) negotiate, execute, deliver and/or file, in the name and on behalf of the Company, any and all agreements, documents, certificates, consents, filings and applications relating to the resolutions adopted and matters ratified or approved herein and the transactions contemplated thereby, and amendments and supplements to any of the foregoing, and to take such other actions as may be required or as such officers deem appropriate or advisable in connection therewith; and it is further

RESOLVED, that each Authorized Officer be, and each hereby is, authorized and empowered on behalf of and in the name of the Company, to execute such consents of the Company, as such Authorized Officer considers necessary, proper or desirable to effectuate these resolutions, such determination to be evidenced by such execution or taking of such action; and it is further

RESOLVED, that any and all past actions heretofore taken by any Authorized Officer, the manager or the members in the name and on behalf of the Company in furtherance of any or all of the preceding resolutions be, and the same hereby are, ratified, confirmed, and approved."

IN WITNESS WHEREOF, I have hereunto set my hand effective as of this 14th day of December, 2016.

/s/ Robert Morrison
Robert Morrison, CEO

4851-7427-8717, v. 1